

GRAFTON COUNTY COMMISSIONERS' MEETING  
Administration Building  
North Haverhill, NH 03774  
September 21<sup>st</sup>, 2023

PRESENT: Commissioners Piper, Ahern, McLeod, County Administrator (CA) Libby, Assistant County Administrator Burbank, Administrative Assistant Norcross.

OTHERS: Kelley Monahan, Register of Deeds, Broadband Committee members – Tim Egan, Nik Coates, Austin Albro, Ed Morris. Ex2 Technologies – Kyle Hilderbrand, Helen Mrema, Bill Darcy

Commissioner Piper called the meeting to order at 10:00 AM and began with the Pledge of Allegiance.

### **NTIA Grant Discussion**

N. Coates started the conversation by stating that the Broadband Committee has kept the cost to the County at zero by utilizing ARPA funds and other grants. He stated that the Committee has done several million dollars' worth of work through federal funding. He explained that the Broadband Committee brought on Ex2 Technologies to help design, build, and maintain the system through an RFP. This company has finalized the designs for the middle and last mile. There will be a regional meeting or two (2) coming in the next month or so, provided the County moves forward with the grant. The final mile designs have been designed for all communities, which will help them leverage working with other providers. The Broadband Committee initially applied for the entire middle mile project through the NTIA Grant, and NTIA came back and said they were excited about the project but wanted the County to reduce the scope because some areas of the project had been previously federally funded. The project was reduced from \$26 million to \$17.1 million. The areas that the Broadband Committee did away with were in the western part of the County, and this created a bit of fragmentation. NTIA had asked what the plan was to handle that fragmentation. N. Coates explained that the plan would be to work closely with other providers currently building in the County or existing providers to connect the dots. The Broadband Committee has also discussed potential partnerships with several Internet Service Providers (ISPs). He noted that the Broadband Committee was approached yesterday by First Light, inquiring about a partnership. They are looking at how to complete their network gaps utilizing the County's broadband network that will be built out, and that would then become a revenue stream for the County or a way to close the gaps that have been identified. New Hampshire Electric Co-op (NHEC) has also expressed an interest in partnering with the County. Those are the next steps if the grant were to be accepted. The interest level of the Broadband Committee at this time is partnerships and how they can fill in the gaps so they can cover the entire county.

N. Coates stated that the two (2) key questions right now are if the County will accept the grant and what that looks like from a financial impact. The County can talk with one or more providers on how to share the construction cost and reduce the cost to the county.

N. Coates added that this grant is not focused on connecting homes. This grant is to build out the highway, allowing the buildout to the homes. The best way forward was to identify important anchor institutions as well as all municipalities. He stated that the committee is looking at ways to make it cost-effective for private companies to provide internet to homes and businesses, noting that the biggest concern for those private companies is a return on investment.

N. Coates stated that the Broadband Committee used the ARPA funds from the County to complete the engineering design, which helped the County to receive the NTIA grant as the project was shovel ready. K. Hilderbrand reported that the design is 100% complete for the middle and last mile. Commissioner Piper asked what would happen regarding towns and residents, in terms of getting broadband into the homes, if the County does not invest \$5 million for the grant match. N. Coates stated that the towns would be left to fend for themselves to figure out how to get broadband to their residents. He noted that from the regional meetings the Broadband Committee held, the towns were happy to have the Broadband Committee do this work for them. N. Coates explained that the County is giving these towns the designs, and they can piggyback off the County's middle mile. E. Morris added that when someone is talking with private companies to roll out the last mile, it comes down to the return on investment. This middle mile reduces those investments for these companies. If the County can pull broadband into these communities, it helps these providers to get broadband into the homes.

Commissioner Piper asked CA Libby to comment on the financial aspect of this project. CA Libby stated that, as she discussed last week, the grant requires a match of \$5,129,571.43. The Broadband Committee had previously discussed bonding some of that match and using the surplus for the remaining funds. She stated that when she and Assistant CA Burbank met with the County's lawyers, they were initially advised they could not bond any middle mile match due to how the statute is written. The lawyers then said that Senator Bradley sponsored legislation last year that goes into effect September 26<sup>th</sup> this year, which would now allow for some of the project to be bonded. CA Libby explained that she would not be able to say initially that the County would be able to bond any match funds upon grant acceptance. The match will initially have to be through a supplemental appropriation. She noted that the current fund balance is \$10.1 million, and if \$5.1 million was used for the grant match, the fund balance percentage would be left at around 9.2%, which is within the fund balance policy range, and that would be how the County would have to proceed with funding the match requirement right now. CA Libby explained that another piece that must be done is for the County to execute a letter of credit with a bank, noting that the County does have a proposal from the Bank of NH. This letter is cash secured, and 25% of the project cost must be put away in cash, which is \$4 million.

T. Egan stated that he would be inclined to say the County should commit to this project, but it is essential that they require their partner Ex2 Technologies to meet with the other BEAD Grant partners as those companies will be building around this project. He stated that the County wants to ensure they have these conversations. This is not something they should take on without consulting with these companies. Partnering with the existing companies may make the construction more cost-effective. Register Monahan attended the meeting and stated that in Orford, they had been informed that Lyme Fiber would be connecting the Route 10 corridor. She stated that from her understanding, Lyme Fiber has a lot of private investment from big donors. She asked if Lyme Fiber is being considered as a top potential partner. N. Coates explained that

nine (9) or so months ago, the Broadband Committee completed a Request for Information (RFI) process and held a series of conversations with 30-40 potential partners for this project. He stated that they have reached out to Lyme Fiber, and their response was that they are good for now, but they could potentially look to collaborate and for the County to stay in touch with them. If this grant were to be accepted, the County would reach back out to these companies and have these conversations. Bill Darcy, Benton Selectboard Member and New Hampshire Electric Co-op (NHEC) Board of Directors member was present for the meeting and asked if there is any possibility in the negotiation stage with NTIA to change physical locations. He gave an example of a link from Lincoln to Easton/Benton over Route 112, where First Light is not there, that could benefit the County's project and NHEC. B. Darcy stated that if funds could be redirected to that, there are a lot of areas on the map that NHEC is currently building that could be traded or collaborated on, which would benefit all involved. B. Darcy explained that there are mountains separating eastern and western Grafton County, and for liability purposes, having a link between the two (2) really enhances reliability. N. Coates explained that the question makes a lot of sense, and it would have to go back to NTIA to ask if they would be okay with that or if they accept the grant and put this through as a change order. CA Libby stated that in reading through the grant paperwork, the County can ask for a change in the scope of work or any revisions. NTIA must approve these. K. Hilderbrand stated that the link that B. Darcy referenced may have been removed due to NTIA stating that public funds had already been used to construct it.

Commissioner Ahern stated that he does not know how long the Commissioners will have to discuss accepting or not accepting this grant. He noted that he is very concerned about spending a lot of County money now without having more information. K. Hilderbrand stated there is a lot of public money now for broadband and asked the Commissioners if they would rather have the funding go to other places outside of Grafton County to places that may not need it as much or have it in Grafton County, adding that it is money that likely will not happen again. Commissioner Piper stated that this is the argument that the Commissioners have heard before: regardless of taxpayer money, the County should accept the grant funds, or someone else will. She added that she shares Commissioner Ahern's concerns very strongly. Commissioner Piper noted that the County was solicited a few years ago to form a Broadband Committee. This was not something the County initiated, which needs to be remembered. The County invested \$3 million in ARPA funds to get the Broadband Committee where it is now, and to ask the taxpayers to pay \$5 million for this grant match is a lot.

Commissioner McLeod reported attending the broadband meeting with Sugar Hill, Franconia, and Easton. Three (3) or four (4) internet service providers were there, and it ended up being a general conversation about broadband. All these companies have plans in place. She noted that the technical assistance from Consolidated Communications has not been strong in the past with their other services, and Consolidated Communications has stated that they are going to ramp up the technical assistance for customers once broadband is installed. Commissioner McLeod said she lost a lot of confidence that all would go well in those companies after last night. She is unsure if the County should accept this federal money. CA Libby explained that Grafton County is uniquely positioned as a County. They can take this \$12 million in federal money to get broadband to the County. She stated that it is a lot of money for the match funds, but because the County is in a healthy position, it will not have a direct impact on the taxpayers as it is coming from the fund balance, which is a fund that is already established. The Commissioners are not

going to the Delegation asking to raise taxes by \$5 million. CA Libby stated that she feels the Commissioners should accept the grant and work diligently with these other companies to make this project successful. She added that the County does not need to spend this money if the project ends up coming to a point where it does not work.

Commissioner McLeod stated that for those who do not have broadband, this is the County saying this is an important project, and they are trying to get broadband to everyone. She then asked if the County would hire a project manager focused on this project. CA Libby stated that a project manager would likely be the first RFP to go out if this grant were accepted, noting that there is money in the grant to cover the cost of the project manager.

Bill Darcy stated that there are two (2) risks associated with accepting this grant. He asked if the County could build with the money they received, and the second risk is that for this project to be viable, there are operational costs. He asked what the likelihood is that the County will receive revenue from ISPs to cover those costs. N. Coates stated that the Broadband Committee included two (2) years of operating maintenance into the grant, and in those two (2) years, the County can build relationships with the ISPs.

Commissioner Ahern stated that he does not want to see duplication of services in the County and cannot see himself being able to make this decision soon. CA Libby stated that the County has thirty (30) days to execute the grant, but the Delegation is meeting on Monday to vote for a supplemental appropriation, and if the Commissioners are not going to accept the grant, that meeting is not needed. Commissioner Piper stated that there are a lot of moving parts and unknowns. If the Commissioners accepted this grant, they would agree to take the full grant match from the fund balance and tie up 25% of the project costs with the County's cash for the letter of credit. CA Libby stated that the Commissioners can request that the Delegation postpone their meeting to give them more time to discuss. Commissioner McLeod asked if the County would meet regularly with the project manager. N. Coates explained that at the beginning of the Bristol broadband project, there were daily check-ins, then every other day, and then every few days. He added that Ex2 Technologies is very good at communicating, which would be the expectation going forward. The Broadband Committee would then act in an advisory role and bring in a 3<sup>rd</sup> party to look out for the County's best interest.

The Commissioners agreed they needed more time to discuss this and agreed to postpone the Delegation meeting.

Commissioner Piper requested a nonpublic session.

**MOTION:** \* 11:30 AM Commissioner Ahern moved to enter into a non-public session for the purposes of matters which, if discussed in public, would likely affect adversely the reputation of any person other than a member of the public body itself unless such person requests an open meeting. This exemption shall extend to any application for assistance or tax abatement or waiver of a fee, fine, or other levy if based on inability to pay or poverty of the applicant according to RSA 91-A: 3, II (c). Commissioner McLeod seconded the motion. This motion requires a roll call vote. Commissioner Piper called the roll. Commissioner Ahern "yes," Commissioner McLeod "yes", Commissioner Piper

“yes” Commissioner Piper stated that a majority of the board voted “yes” and would now go into non-public session.

\*12:09 PM Commissioner Piper declared the meeting back in public session.

**MOTION:** Commissioner Ahern moved to permanently seal the minutes from the just completed non-public session because they could affect the reputation of someone other than those of the Board of Commissioners. Commissioner McLeod seconded the motion. Commissioner Piper called the roll. Commissioner Ahern “yes”, Commissioner McLeod “yes” Commissioner Piper “yes”. Commissioner Piper stated that a majority of the board voted “yes,” and the motion passes.

12:10 PM With no further business, the meeting adjourned.

Respectfully Submitted,

  
Martha S. McLeod, Clerk  
Omer C. Ahern, Jr. Vice chairman for  
Martha S. McLeod